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Resources

Career and Guideline Support (CAGS) Department

Representatives who assist you with questions regarding our Consultant Guidebook and/or Career Path questions.

CAGS@thirtyonegifts.com or (614) 414-4531; Fax: (614) 337-1459

Consultant Support

Team designated to help you with questions about operating your Thirty-One business.

ordersupport@thirtyonegifts.com; (614) 414-GIFT

Thirty-One Today (TOT)
Our website for Consultants and a valuable source of information.
ThirtyOneToday.com

What is Thirty-One?

We are a direct selling company offering a business opportunity. We offer a wide variety of personal/giftable products that are functional, fashionable and help organize your life. Many of our products can be personalized. We believe in <u>celebrating</u>, <u>encouraging</u> and <u>rewarding</u> others. Through God's strength, we've built a family of individuals who feel women deserve to treat themselves and those around them to something special. Our commitment is to provide women with a fulfilling, enjoyable and rewarding experience one person at a time.

The name Thirty-One comes from the verses of Proverbs 31. The Proverbs 31 woman is dearly loved and respected by her family, yet she is an individual in her own right. She manages her home and property with kindness and integrity. Her savvy business skills are partly brought about by her desire to serve others, to do good deeds and to prosper.

As you read through this Consultant Guidebook, you'll see that it covers the policies, procedures and administrative aspects involved in running a successful Thirty-One business. Your Independent Sales Consultant Application and Agreement ("Application") together with this Consultant Guidebook and Career Path (which are all collectively incorporated into the Application and referred to as the "Agreement") include the policies, procedures and administrative aspects that are an essential part of your legal agreement with us. When we say "we," "us" and "our," we are referring to Thirty-One Gifts LLC, and when we say "you" and "yours," we are referring to our Consultants.

Please read this Consultant Guidebook carefully and refer back to it when you have questions. You are responsible for reading, understanding and following all of the policies and procedures in this Consultant Guidebook along with the Application and Career Path terms.

If there is something you don't understand, please ask your Sponsor or contact our Career and Guideline Support ("CAGS") Department at CAGS@thirtyonegifts.com or (614) 414-4531.

What does it mean to be a Thirty-One Consultant?

Independent Contractor Status

As a Thirty-One Consultant, you are in business for yourself, but not by yourself. Your status is that of an "independent contractor." The Agreement is a contract by which you agree to sell and distribute our products. You establish your own goals, hours and methods of sale, as long as you comply with our policies and procedures and any applicable laws.

As an independent contractor, you're not (and may not represent yourself as) an employee, agent, partner, legal representative or franchisee of Thirty-One. This means that you're not entitled to receive a salary or any benefits we offer to our employees. It also means that you don't have the power or authority to enter into contracts or to incur any debt, obligation or liability on our behalf.

You are responsible for your own business decisions and expenses, including the payment of any taxes or fees related to self-employment, Workers' Compensation, employment insurance and other taxes or fees required by federal, state or local laws.

Living Thirty-One's Values

Our values are to be Purposeful, Thankful, Respectful, Accountable, Curious, Courageous, Gracious, Authentic, Passionate, Hardworking, Fun-Loving and Flexible as required to do the right thing, to give back and to put other people first. We believe in being engaged with integrity in our work, in our communities, in our families and in our mission.

Success depends on the integrity of the Consultants who market our products. We expect our Consultants to practice our values by:

- Following the highest standards of ethics, honesty, integrity and professionalism when dealing with Customers, Hostesses, fellow Consultants, Thirty-One employees and any third parties.
- Supporting individuals by not gossiping or making disparaging comments about others.
- Never discriminating against anyone because of age, race, color, sex, religion, national origin, disability or other legally protected status.
- Following all of our policies and procedures and acting in good faith.
- Refraining from any activity or communication that is likely to harm us (including our reputation and goodwill) or any others.

DSA Code of Ethics

As a proud member of the Direct Selling Association ("DSA"), we support the DSA's Code of Ethics. You can view the DSA Code of Ethics at www.dsa.org/ethics. You may also access the DSA Code of Ethics via our website address at www.thirtyonegifts.com, where you will see the DSA link on our home page. It's important to us that you conduct your Thirty-One business in accordance with the DSA Code of Ethics and all applicable legal and contractual requirements. If you want to report a Code of Ethics complaint to the DSA, please visit www.dsa.org and go to the Consumer Protection section of the website under Filing a Code Complaint.

Are there any requirements to be a Thirty-One Consultant?

Eligibility

To be a Thirty-One Consultant, you have to:

- Be at least 18 years old
- Be a citizen or permanent resident of the United States

- Possess a valid Social Security Number (SSN) or Green Card or Individual Taxpayer Identification Number (ITIN). (An ITIN is issued by the IRS for tax filing or reporting purposes to certain non-resident aliens who are not eligible to obtain a SSN.)
- Be sponsored by an active Consultant
- Maintain your own personal email account (cannot share an email account with another Consultant)

Our employees are not eligible to be Consultants.

Businesses as Consultants

Currently, only individuals can sign-up to be Consultants and we won't accept Agreements from corporations, partnerships, limited liability companies or other business entities.

Identification Numbers

To be a Consultant, you must give us a valid personal taxpayer identification number (i.e., your SSN or ITIN) for tax reporting purposes. When we accept your Agreement, we will assign you a Consultant ID. The taxpayer identification number you provide must belong to you. If you give us a fake number or a number that belongs to someone else (including your personal business or spouse), we may terminate your Agreement and you risk losing your Thirty-One business.

Doing Business in Other Countries

We currently operate in the United States and Canada. As a Consultant in the United States, you have to remain a permanent resident of the United States to maintain your status as a Consultant. Consultants in the United States can only sell and recruit in the United States, and they cannot sell or recruit in Canada or any other country.

Consent and Release

As a Thirty-One Consultant, you may attend events where videos or photographs are taken of you. You may also make or write statements about your experience as a Thirty-One Consultant or submit photographs or videos related to your Thirty-One Business or your experience as a Consultant. By attending these events or submitting photos and/or statements, you agree to allow Thirty-One to use your name, image, voice etc. in marketing, recruitment and other promotional materials. You also agree not to submit any video or photograph that contains images of others to Thirty-One unless you have obtained permission of all individuals in the photo or video be used in Thirty-One's marketing, recruitment and other promotional materials. This provision survives the termination of the Consultant relationship.

Are there different status levels for Consultants?

Yes, we have different status levels of Consultants. Your status level depends on your sales activity, which we call your "Personal Volume." Generally, "Personal Volume" means the dollar value of the products you sell, less sales taxes, shipping & handling charges, and returned orders. It's important to understand that you don't receive commissions on discounted purchases (e.g., Insider Credits, Insider half-price items, Insider Exclusive items, Add-On Kits, and Consultant Order Type), sales tax and shipping & handling fees, and these amounts don't count toward your Personal Volume totals. Please refer to Thirty-One Today (TOT) for specific rules that apply to the Thirty-One Marketplace order type under Consultant Perks.

Please refer to our Career Path booklet on TOT for more information.

Consultant Status Levels

Our status levels are:

Status	Description
Active	A Consultant who submits at least \$200 in Personal Volume during each rolling six-month period (based on the current month and the prior five months). All new Consultants are considered to be Active during their enrollment month and the first five months following enrollment.
Qualified	A Consultant who has submitted at least \$750 in Personal Volume.
Inactive	A Consultant who doesn't submit at least \$200 in Personal Volume during each rolling six-month period (based on the current month and the prior five months).
Resigned	A Consultant who resigns and terminates her Agreement. (Will show inactive in the Virtual Office.)
Terminated	A Consultant whose Agreement has been terminated by Thirty-One because she remained Inactive for 12+ months or because of any other reason. (Will show inactive in the Virtual Office.)

What are the policies for selling Thirty-One products?

We are a party plan direct selling company. The success of your Thirty-One business depends on your relationships with Customers and fellow Consultants. We encourage you to be creative in your sales strategies, but your best approach is always face to face. Our sales policies are intended to promote personal, long-term relationships with Customers instead of one-time or short-term sales.

Truthfulness and Integrity

Whenever you are selling our products, it's very important that you act with integrity. You need to truthfully represent Thirty-One, yourself, and our products. Thirty-One offers education and training about our products and Consultants must be knowledgeable about our products and services. Any unethical, misleading, deceptive or unfair sales practice is not allowed and could result in the termination of your Agreement in our sole discretion. Your explanation and demonstration of our products must be truthful and complete, especially when you discuss our prices, return policy, payment terms, and delivery.

It's important that you build personal relationships with Customers based on mutual respect and trust. You should only contact Customers during reasonable hours of the day/evening, in accordance with applicable laws and a "hard sell" is not appropriate. If you're asked to stop a sales presentation or contacting a Customer, please honor the Customer's request immediately. Also, if you decide to offer door prizes, remember that all guests must have an equal opportunity to win the door prize and you can't require a purchase or tangible or intangible obligation of any kind to be eligible for a door prize.

Legal Compliance

Consultants are expected to purchase and sell Thirty-One products according to the terms, conditions and policies stated in the Agreement (including the Consultant Guidebook). Consultants are also expected to comply with local, state and federal laws and regulations applicable to all aspects of your Thirty-One business. Additional terms and conditions may also apply to the Thirty-One Marketplace order type, and you can refer to TOT under Consultant Perks for more details.

By selling Thirty-One Gifts products, you authorize Thirty-One Gifts to send you email messages, text messages and/or notify you by phone or facsimile regarding its products, services, compensation, marketing communications and offer other topics that Thirty-One Gifts determines may be of interest or benefit to you and agree that your receipt of such messages will not be deemed a violation of any federal or state legislation or regulations.

Sales Receipts and Customer Cancellation Rights

We provide "triplicate" order forms to be used for parties and other "in-person" sales. The order form also serves as the Customer's official receipt. The law requires that you give the Customer **two copies** of the sales receipt, so keep the white copy and give the yellow and pink copies to the Customer. Our order form contains our Return Policy and Notice of Cancellation, in addition to other important language. The Return Policy does not apply to products purchased outside of authorized channels of distribution.

Customers who place in person orders of \$25.00 or more have a legal right to cancel an order within three business days (i.e., 72 hours excluding Saturdays, Sundays and legal holidays) or five business days for Alaska residents. In North Dakota, if a customer is over sixty-five years old, the customer has fifteen days to cancel an order over \$50.00. These rights noted include

orders for personalized products. You're also required by law to tell customers about their right to cancel orders within three business days (five days for Alaska residents) and to make sure that the date of the order is correctly entered on the order form. If a customer cancels an order within the applicable cancellation period, and if required by law, you must promptly refund her money (as long as any products she received are returned to you in substantially the same condition). If a Customer cancels an order that you've already submitted to us, please contact Consultant Support at (614) 414-GIFT or ordersupport@thirtyonegifts.com.

You will need to keep your copy of each sales receipt and provide it to us if we or a government agency asks for it. For additional requirements related to the Thirty-One Marketplace order type and information related to sales receipts, please see TOT under Consultant Perks for more information.

If a Customer purchases products online through your Replicated Website (www.mythirtyone.com), the Customer can print a sales receipt and we will maintain a copy for our records.

It's very important that you protect Customers' personal and credit card information. Please see "Customer Payments and Protecting Customer Information" for more details.

Licenses

Some local governments might have rules or ordinances that limit how you can conduct your Thirty-One business. We recommend that you contact your local government office to find out if you're required to get any licenses to run your Thirty-One business. If you live in a subdivision, condominium or apartment complex, then you should check with your homeowners association or landlord to find out if there are any rules about operating a home-based business. It is your responsibility to obtain any licenses you need to operate your Thirty-One business.

No Exclusive Territory

You're an independent contractor, not a franchisee. We don't grant our Consultants exclusive territories, so you may sell our products and sponsor new Consultants throughout the United States.

Selling Other Brands or Products, Including Other Direct Selling Businesses

We don't prohibit you from participating in other businesses, including other direct selling businesses (excluding the restriction based on the Service Terms Agreement for our Presidential Advisory Council). As a Thirty-One Consultant:

- You can share and sell another company's products, in addition to selling and sharing Thirty-One's products and opportunity. We expect equal social representation.
- You cannot share and sell another company's products on the same social post, party or vendor event.

- You cannot share another business opportunity, including, but not limited to; trips automobiles, earning opportunities and/or training events, etc.
- You cannot speak negatively about the Thirty-One brand.
- You cannot sponsor Thirty-One Consultants into another business.

As a Consultant, you will have access to information about Thirty-One Customers and other Consultants (e.g., names, contact information, etc.) through your virtual office. This is confidential information that belongs to us, and you can only use your virtual office to support your Thirty-One business. We don't allow you to use this information or share it with anyone else for any other purpose. Due to our Privacy Policy and applicable laws, you may not use your virtual office to contact Thirty-One Customers or Consultants to offer them products or services other than official Thirty-One products.

Resale and Discounting of Thirty-One Products

No Consultant may sell or otherwise provide Thirty-One products to non-Consultants for the purposes of resale or further distribution. Nor may a Consultant sell to a non-Consultant any quantity of Thirty-One products greater than that generally purchased by an individual for personal use, gifting, Thirty-One Marketplace or otherwise allowable Fundraisers or Corporate Orders. This provision survives the termination of the Consultant relationship.

We are pleased to offer you a discount on our products, and we hope you'll use it to buy products for yourself or to give as gifts. We have to protect the value of our brand and provide a level playing field for all of our Consultants. Therefore, you can't "undercut" the retail prices of our products under our Party and Retail Order by widely sharing your discount. Sharing an ongoing discount at your parties, through your Replicated Website (www.mythirtyone.com) like "order online today and I'll rebate you 10%" or any other sales channel (like Facebook) is not allowed. This behavior is unfair to us and your fellow Consultants. We do allow you to offer limited, short-term incentives to Customers only if:

- The offer is to a small group of Customers (NOT all Customers or anyone who can see your website or public Facebook page or profile)
- The offer lasts for seven days or less
- You offer incentives no more than once per month

Examples of these limited incentives include offering a discount to someone who books a party or offering free shipping on orders over a certain amount. If you decide to offer a limited incentive, you will incur its cost.

Thirty-One Marketplace Orders

We introduced the Thirty-One Marketplace Order program to supplement our Party and Retail Order models. Under either the Party or Retail Order approach or the Thirty-One Marketplace Order program, our goal is to help women by giving them the opportunity to run their own successful business. This section will explain the important differences between these two approaches.

Under the Party/Retail approach, Thirty-One Gifts owns and resells the products and Consultants are paid a commission for their important contribution to the sales process. Under the Thirty-One Marketplace program, by contrast, the Consultant purchases the product and resells it.

Consultants who choose to take part in the Thirty-One Marketplace program may purchase select products from Thirty-One Gifts at a 40% discount and resell the products to customers. No base commission shall be paid by Thirty-One Gifts to the Consultant on these sales. The Consultant may earn her own markup based on the price sold to the consumer.

The availability of products for customers is important to Thirty-One Gifts under the Party/Retail approach model when distributing our products for sale. Thirty-One Gifts must also have enough inventory and fairly allocate products among Consultants ordering under the Thirty-One Marketplace program. Accordingly, Thirty-One Gifts reserves the right to restrict and allocate orders that are placed under the Thirty-One Marketplace program.

The Party/Retail approach remains the primary way that Thirty-One Gifts distributes its products and engages with our valued Consultants. We developed the Thirty-One Marketplace program to give our Consultants tools that provide them flexibility in settings, such as their own closed Facebook groups, local in-person events (e.g. an Expo, Fair or a booth with permission at a Little League game) and in a retail environment (where you have permission to conduct and are legally allowed to do business) where it would be helpful for Consultants to have products on hand that they could display and quickly resell. If in a retail environment, please remember you will be acting as a reseller and must represent that you bought the products from Thirty-One, not the manufacturer. It is also your sole responsibility to check on local and state requirements (including any licensing, sales tax, and insurance requirements) to conduct business as a reseller; Thirty-One will not provide you guidance on these matters. The Thirty-One Marketplace program was created for these types of special situations; it is not intended to replace the Party/Retail approach and we reserve the right to limit the settings in which the Thirty-One Marketplace program products can be resold or advertised.

In terms of the sale price, under the Party/Retail approach, Thirty-One Gifts owns the product and sets the resale price. The Consultant is not involved in setting price and has no authority to offer discounts from the price. However, under the Thirty-One Marketplace program, the Consultant purchases and owns the product and sets the ultimate price to the customer. We recommend that Consultants use the suggested retail price in the Thirty-One Gifts catalog when reselling Thirty-One Marketplace products. However, because the Consultant owns the products purchased under the Thirty-One Marketplace program, it is up to the Consultant to decide the sales price, taking into account your expenses (and any issues your tax advisor may identify) and, for example, whether and how much of a discount should be given to the Consultant's family and friends on any given sale.

You may not list, sell or advertise Thirty-One products purchased through the Thirty-One Marketplace order type on any auction, online auction website or any e-commerce or other website. This prohibition includes, but is not limited to Amazon, eBay, Mercari, Craig's List, Etsy and Social Media platforms. The only exception with respect to online advertising and sales is that products purchased through Thirty-One Marketplace program may be advertised and sold from your own personal closed online groups such as your VIP personal closed Facebook group, subject to the time limitations.

Buying Extra Products and Improper Enrollment of Consultants

It's important that you always act with honesty and integrity in conducting your Thirty-One business. Please purchase only the amount of products you reasonably expect to use or sell to Customers during a single month. You can keep samples to use at parties and a small quantity of products on hand for Customers who may need something at the last minute.

You must never engage in the following activities:

Buying Extra Products or Other Schemes

- Buy products or engage in any other scheme just to enroll and/or qualify for Consultant status or Paid-At Title advancement, incentives, commissions, overrides, bonuses, sales contests, promotions or Personal Volume requirements
- Submit one of your parties or Customer orders under a downline Consultant to advance you or her
- Represent to anyone that there is any obligation for a Consultant to buy products or business supplies beyond the Enrollment Kit (or opting for a kit free enrollment purchase option if one is being offered by the Company at that time)
- Represent to anyone that commissions, overrides or other earnings can be obtained solely from purchasing inventory rather than selling products to Customers

Improper Enrollment of Consultants

- Enroll individuals (real or fictitious) as Consultants without their knowledge and permission
- Enroll someone under a downline Consultant to advance you or her
- Enroll an Active Consultant within a different line of sponsorship. We don't allow recruitment of Consultants from one sponsorship line to another
- Purchase an Enrollment Kit for a new Consultant, unless otherwise legally approved in writing by the Company
- Swap an Enrollment Kit in return for products and services

If you engage in any of these unethical or illegal behaviors, then you may be subject to any of the actions described under "Violating Thirty-One's Policies and Procedures or Engaging in Illegal, Fraudulent, Deceptive or Unethical Behavior," including termination of your Agreement.

Ordering

You're responsible for:

 Complying with all of our policies and procedures for ordering, which are located on TOT (Resource Library > Sales Know-How > Show More > Virtual Office > Virtual Office FAQs) Submitting all orders through your Virtual Office on thirtyonetoday.com in a timely manner including full and proper payment

Once you submit an order through your Virtual Office, it cannot be changed!

Order Deadlines and Site Downtime

All Party Orders and Retail Orders must be successfully submitted before midnight Pacific Time on the last calendar day of the month in order to be included in your Personal Volume for that month and to be counted for sales contests, incentives, etc. We reserve the right to require different order deadlines for certain order types.

We strongly recommend that you submit Party Orders promptly after the party is closed. Don't wait until the end of the month to submit orders! You understand and agree that our website may be shut down from time to time for maintenance or for reasons beyond our control. We won't be liable to you for any damages of any kind you may incur because of such issues as, including but not limited to, any website shutdown, Internet transmission delays, processing time on our servers or inability to access our website or your Virtual Office for any reason.

Customer Service

Consultants are required to provide the following services to their Customers in order to ensure that all of Thirty One's Customers receive the high-quality products and service that Customers expect and deserve:

- For orders shipped to the Consultants, Consultants shall generally check the orders for completeness and accuracy to ensure there are no apparent issues with the products received.
- Consultants may not delete, add, modify, tamper with, or alter any labels, material, instructions, or packaging for Thirty-One products other than as set forth immediately above to generally check the orders for completeness and accuracy.
- Consultants shall provide current contact information to their Customers and make it
 known to their Customers that they are available to answer questions and respond to
 Customer concerns. Consultants shall respond to any questions or concerns from their
 Customers relating to the products by consulting their materials, available education
 tools, or contacting Thirty-One Gifts directly.

Customer Payments and Protecting Customer Information

You are responsible for collecting Customers' payments. If a Customer's payment card is declined, you can either remove that Customer's items from the Party Order or you can collect another form of payment from the Customer before submitting the Party Order.

Here are some rules you need to know about submitting Customers' payment card payments in order to avoid declines and multiple authorizations:

- The billing address for the credit card must match the Customer's address
- Ensure you submit the proper amount one time only

It's also very important that you take all reasonable steps to protect Customer personally identifiable information. So, what is this? "Personally Identifiable Information" ("PII") is information that can identify an individual, and includes an individual's name, postal address, email address, phone number, payment card information, bank account information, and similar types of information.

You're responsible for:

- Taking steps to protect order information and PII from unauthorized access and ensuring that PII is not shared with anyone (including family members).
- Covering all but the last four digits of credit card numbers on Order Forms with a black marker (on both the front and back sides of the Order Form) after submitting orders through your Virtual Office. (It is not necessary to record payment card numbers on the Order Forms if using the mobile app for orders and payments.)
- Safely and promptly destroying all PII that you have once it is no longer needed, such as by shredding. (Order Forms must be destroyed after one year.)
- Making sure the computer or mobile device you use to access your Virtual Office or any secured Thirty-One website is password-protected and is using an internet security tool that includes antivirus, antispyware and firewall technologies that are updated regularly. Do not share your password with anyone.
- Maintaining a secure connection to your Virtual Office and any secured Thirty-One
 website. You should ensure that your home Wi-Fi connection is secure and you should
 not connect to your Virtual Office from any "public" Wi-Fi connections like restaurants
 and cafes.
- Not accessing your Virtual Office or any secured Thirty-One website through any public computer or untrusted system, or by any type of mechanical, scripted, automated or robotic means.

Shipping and Handling

We charge shipping and handling fees on all orders, including Party Orders, Retail Orders, Thirty-One Marketplace Orders, orders for Enrollment Kits, and Add-On Kits (except free Add-On Kits). Our shipping and handling rates may be found on TOT (Business Support > Flat Rate Shipping).

Shipping to APO/FPO Addresses

We ship to APO/FPO addresses at no extra fee. All of our standard shipping rates apply. An APO/FPO address is a special address used to send mail to military personnel on domestic and international United States military bases.

Address Changes for Orders

Once an order is submitted to us, it can't be changed. If an order is returned to us because of an address error, you will be charged additional shipping and handling fees.

Sales Tax

When you become a Consultant, you authorize us to collect and remit to the proper governmental agencies, the sales/use tax due on your sales of our products, as outlined below. When orders are placed, sales tax is based upon the retail price of the items. You agree to be bound by all sales tax collection agreements between us and all appropriate taxing jurisdictions, and all related laws, rules and procedures. If you qualify for a tax exemption for yourself or whom you are selling to, please see TOT (Business Support > Policies and Forms > Tax Resouces) for the form and instructions.

When you or your Customers purchase products, we calculate, collect and remit the sales tax to the appropriate tax agency based on the retail amount of the order and the ship-to address regardless of whether payment is made with a payment card or by using a business credit or gift certificate. Insider Credits (i.e., free products received by Hostesses) may be subject to sales tax.

Thirty-One Marketplace Orders are subject to sales tax, with three exceptions:

- 1) If you have registered with the appropriate state and have been licensed to collect sales tax, your Thirty-One Marketplace Orders you place for resale can be exempt if you provide us with the appropriate resale exemption form for the appropriate state.
- 2) If you are personally exempt from sales tax (for example, as a status Native American residing on a reservation and taking delivery of your order there) and have provided us with a properly completed exemption certificate.

Upon our approval of your exemption documentation, we will create and notify you of your tax-exempt ID number. You may then phone or email Order Support with your tax-exempt ID number when you have a Thirty-One Marketplace Order you are buying for resale, or if you are placing any personally exempt order type for your own use, and we will override the tax as appropriate.

3) If you want to place a Thirty-One Marketplace order for an organization that is exempt from state sales tax, that order can be tax-exempt by meeting the same requirements for exemption as for any other order type; see "Sales to Tax-Exempt Organizations".

The exempt organization (not you) must be shown as the customer on the Thirty-One Marketplace order.

Excise or Similar Taxes

Each Consultant and Customer is responsible for paying excise tax or similarly assessed local taxes arising from individual orders of Thirty-One Gifts' products. U.S. territories (i.e., Marianna Islands) and certain countries outside of the U.S. collect excise tax on items shipped into the territory or country. Consultants and Customers are responsible for all applicable taxes and fees as required by federal, state, and local laws (including excise taxes and any other form of local tax assessed by a U.S. territory, commonwealth, or country outside of the U.S.).

Return Policy

We want Customers to be perfectly satisfied with their purchases. See [http://www.mythirtyone.com/us/en/info/returnpolicy] for a full copy of our Return Policy.

Governmental Approval or Endorsement

There are no government agencies that approve or endorse any direct selling or network marketing companies. You can't represent or imply that Thirty-One or our Career Path have been "approved," "endorsed" or otherwise sanctioned by any government agency.

Where can I sell products and recruit new Consultants?

We want you to party! We are a party plan business and believe that Face to Face parties provide the best opportunity to sell products and tell others about the Thirty-One opportunity. Parties are a great way for you and the Hostess to connect with guests and form personal relationships that will become the foundation of your Thirty-One business. Parties should be simple, effective and fun!

The rules around online activities are discussed in the "How can I market and support my Thirty-One business?" section of this Consultant Guidebook.

Retail Locations

We allow Consultants to sell and leave fliers in a retail environment (like booths, kiosk, shops, etc.) and non-retail locations (like spas, doctors' or dentists' offices, etc.) with the owner's permission and where allowable by law.

Mail Order Houses and Distribution Centers

We don't allow our Consultants to advertise, promote, sell or recruit through mail order houses or distribution centers. A company that creates letters to send out to Customers encouraging them to buy something via the mail is an example of a mail-order house.

Trade Shows and Expositions

Trade shows, expositions, fairs and similar events provide you with an opportunity to market your Thirty-One business. Your goal at these events should be to find new customers, book parties, find new recruits and sell cash and carry.

Here are some rules you need to know about trade shows, expositions and similar events:

- You need to register for the event as an independent Thirty-One Consultant. The contract will be between you and the organization holding the event. Do not make Thirty-One a party to the agreement, nor should you sign any documents on Thirty-One's behalf. We are not responsible for your participation or results.
- You have to staff your booth or exhibit at all times, and you can't share it with another business.
- The first Consultant to register for the event has the right to conduct the event. Before you
 register for the event, you should check with the event promoter to see if another Consultant
 is registered and/or if more than one Consultant may be represented.
- Your marketing materials for the event need to comply with our policies and be approved by CAGS in writing in advance.
- You are responsible for all permits, fees, licenses and insurance that may be required to participate in the event.

We may be able to provide you with a limited number of Catalogs for the event. You can download a "Fair/Tradeshow Catalog Request Form" from TOT (Business Support > Policies & Forms > Tradeshow Request Form).

Insurance

If you sell products or host a party at a facility, you may be asked to provide proof of general liability insurance. We recommend that you talk with your insurance agent about whether you need coverage for a small and/or home-based business. If you use your vehicle for your Thirty-One business, we recommend you also discuss auto insurance with your insurance agent.

Telemarketing

In the U.S., the Federal Trade Commission ("FTC") and the Federal Communications Commission ("FCC"), and most states have laws and regulations that restrict telemarketing practices, including "do not call" regulations. These laws and regulations broadly define "telemarketing" and may include placing telephone calls or texts to an individual or entity to

induce the purchase of a Thirty-One product, or to recruit them for Thirty-One opportunity. Significant penalties can be imposed for violations. As a result, telemarketing or cold calls in the operation of your Thirty-One business is prohibited.

However, you can place a telephone call or text to a prospective Customer or Consultant (a "prospect") in the following situations:

- You may call a Prospect where you have signed, written permission from the Prospect authorizing the call and the telephone number(s) authorized.
- You may call family members, personal friends, guests who have attended a Thirty-One
 party you conducted, and acquaintances. An "acquaintance" is someone with whom you
 have at least a recent first-hand relationship within the preceding three (3) months.
- You may call a Prospect with whom you have an established business relationship. An
 "established business relationship" is a relationship between you and the Prospect based on
 her purchase, rental, or lease of goods or services from you, or a financial transaction
 between you, within the six (6) months immediately preceding the date of your call.
- You should place calls to Prospects between 10:00 a.m. and 8:00 p.m. local time, and do
 not make calls to any state on national holidays or on Sunday in Alabama, Louisiana,
 Mississippi, Rhode Island, South Dakota and Utah. Of course, any time a Prospect or
 Customer asks that you no longer call, you must honor the Prospect or Customer's request
 unless your call is about an existing order.

Use of automated technology or software such as using a computer or app to send text messages to more than one person or using a pre-recorded message (a "robocall") regarding or relating to our products or the Thirty-One opportunity is prohibited when communicating with Prospects, Customers or Consultants.

Clearance, Outlet Sales and Other Opportunities

We reserve the right to offer special clearance, outlet sales and other opportunities from time to time to our Consultants and existing Customers. These opportunities may not be available to those who have not previously purchased products from Thirty-One. These sales may be non-commissionable, in which case they will not count toward your monthly qualifications or maintenance for personal rank or commissions. All clearance and outlet sales are final and products are purchased "as is."

Consultants on Military Bases

If you plan to conduct business on a military base, you're responsible for following any and all regulations imposed by the U.S. military and the base commander while conducting your Thirty-One business.

Currently, we are only licensed to do business in the United States and Canada. For this reason, Consultants who live on military bases outside the United States need special consideration.

- Individuals who live on a military base outside the United States <u>and</u> meet all Consultant eligibility rules are able to enroll as Thirty-One Consultants and promote to leadership.
- Even when living on a base outside the United States, you can only recruit individuals who
 are U.S. citizens or permanent U.S. residents and meet all Consultant eligibility rules.
- If you live on a military base outside the United States, you're not eligible to receive leads from the Home Office.
- Foreign nationals cannot be recruited as Consultants, buy products or have products shipped to them. International shipments may only be sent to APO/FPO addresses.

To support our military Consultants, we believe it is important to have a plan in place to protect your businesses in the event a deployment takes place. For more information contact CAGS@thirtyonegifts.com.

How does sponsoring new Consultants work?

Sponsoring new recruits is one of the best things you can do to help you grow your Thirty-One business.

Income Claims

We're committed to doing the right thing, acting ethically at all times and following good business practices, as well as all laws regulating our industry. We've prepared the Thirty-One Income Disclosure Statement ("IDS"), to provide truthful, timely, and comprehensive information about our Consultants' income. We update the IDS annually. You can print or download the current IDS without charge from TOT (Business Support > Policies & Forms > Income Disclosure Statement (IDS) for US Consultants) or under the "Join Us" tab of our corporate website www.thirtyonegifts.com.

When you present or discuss the Thirty-One opportunity or Career Path to a potential recruit, you should not make misleading income projections, income or lifestyle claims, nor should you disclose your Thirty-One income (including the showing of checks, copies of checks, bank statements, or tax records) and you must provide the potential recruit with a current copy of the IDS during your conversation.

The IDS must be presented to a potential recruit anytime you present or discuss our Career Path or make any claims or representations about any Thirty-One income, including:

- · statements of actual earnings
- statements of projected earnings
- statements of earnings ranges
- income testimonials

- lifestyle claims
- hypothetical claims

Misleading lifestyle claims (which must not be made) typically include statements (or pictures) involving large homes, luxury cars, exotic or dream vacations, or other items suggesting or implying wealth. They also consist of references to the achievement of your dreams, having everything you always wanted, and are phrased in terms of "opportunity" or "possibility" or "chance." Inappropriate lifestyle claims include things like "My Thirty-One income exceeded my salary after six months in the business," or "My Thirty-One business has allowed me to quit my office job and stay at home with my kids."

Here are some more detailed rules you need to follow when discussing our Career Path and making income claims:

- You must provide a copy of the current IDS to potential recruits at any non-public meeting (e.g., a home meeting, one-on-one, regardless of venue) where our Career Path is discussed or any type of income claim is made
- In any meeting that is open to the public where our Career Path is discussed or any type
 of income claim is made, you must provide every potential recruit with a copy of the
 current IDS and you should display a large version in the front of the room in reasonably
 close proximity to the presenter
- In any meeting in which any type of video display is utilized (e.g., monitor, television, projector, etc.) a slide of the current IDS must be displayed continuously throughout the duration of any discussion of our Career Path or any income claim
- If you create your own sales materials which include income claims or information about our Career Path, you must incorporate the current IDS into the materials before submitting them to CAGS@thirtyonegifts.com for review and approval

Recruiting From Other Direct Selling Companies

We discourage our Consultants from contacting the Consultants/distributors of other direct selling companies to recruit them for Thirty-One. However, if someone affiliated with another direct selling company contacts you about becoming a Consultant, then you may respond to the inquiry as you would any other potential recruit.

Soliciting Thirty-One Customers and Consultants to Enroll or Participate in Another Multilevel Marketing, Network Marketing or Direct Selling Opportunity

You agree that during the term of your Agreement with Thirty-One and for six months after it ends, you will not (and you will not work with others to) directly or indirectly (on behalf of yourself or any other person or entity):

 solicit or induce any Consultant to terminate or alter the Consultant's business relationship with us, or recruit, sponsor, solicit, enroll, encourage or influence (in any way) other Thirty-One Consultants or Customers to enroll or participate in another multilevel marketing, network marketing or direct selling opportunity

You understand and agree that:

- Any effort to limit the geographic scope of this non-solicitation provision would render it
 wholly ineffective because direct selling is conducted through networks of independent
 contractors dispersed across the U.S., and business is commonly conducted via the
 internet and telephone
- This non-solicitation provision will apply nationwide
- This non-solicitation provision only applies to the solicitation of Thirty-One Customers and Consultants to enroll or participate in another multilevel marketing, network marketing or direct selling opportunity
- This non-solicitation provision will survive the termination of your Agreement

Changing Sponsors

We think it's important to respect and protect the hard work our Consultants devoted to building their teams. Although there are some narrow exceptions to this rule, we don't allow Consultants to change Sponsors.

How will I receive compensation from Thirty-One?

General

As a Consultant, you'll be eligible to receive commissions, bonuses and overrides on your sales of Thirty-One products and your sales-generating activities, including building a Downline organization. You must be Active and in compliance with laws and all of our policies and procedures in order to be eligible to receive commissions, bonuses and overrides. Our Career Path contains information about the compensation our Consultants may receive. If you have any questions, please ask your Sponsor or contact us at CAGS@thirtyonegifts.com.

Commission Payment Schedule

We pay commissions twice a month:

- Payments on orders submitted from the 1st through the 15th of the month will be paid on the 25th of the month. (This payment is sometimes called your "Rebate.")
- Payments on orders submitted from the 16th through the last day of the month will be paid on the 10th of the following month. This payment will also include any overrides you are eligible to receive.

If the payment dates listed above fall on a holiday or a weekend, we will make the payment on the prior business day.

Form of Payment

We will issue payments to the name of the Consultant listed on your Application. You can choose to receive your payments by check or through direct deposit to your bank account. You can select your method of payment through your Virtual Office on TOT (Profile > Commission Options). You must submit any changes to your bank account or direct deposit information to us at least 10 business days prior to a commission payment date in order for the change to be effective for that commission payment. If a direct deposit payment is rejected by your bank, we will issue a check and you will be charged a \$4 check fee.

Special Notes for Checks

We charge a \$4 fee for each commission check you receive.

If your payment for a single month totals less than \$4, we'll credit the payment amount to your account. Once your account balance covers the check fee amount of \$4, we'll issue a check for the remaining balance.

You're responsible for telling us if your check is lost. If you don't receive your check within 10 business days from the mail date, then we'll issue a replacement check 7 days after you report the lost check to us at CAGS@thirtyonegifts.com. We may charge a fee for replacement checks.

Bank Fees

If you request a stop payment on a check or if you provide us with incorrect information about your bank account (e.g., the wrong account number for direct deposits), we may incur fees from your bank to stop or recover your payment. If this happens, we may pass these fees on to you by offsetting the amounts from your Thirty-One account.

Errors or Questions

If you believe we have made any errors regarding your payments, charges, or Downline, you must give us written notice within 30 days of the date of the purported error. We're not responsible for any errors, omissions or problems you don't report to us within 30 days.

Offsets

In accordance with applicable laws, we have the right to offset any amounts you owe us (including the repayment of commissions resulting from product returns, incorrect payment received, etc.) against the commissions or other amounts we owe you.

Do I have to pay taxes on the income I receive from Thirty-One?

Yes, you're required to report your commissions and other earnings from your Thirty-One business as income in your tax filings each year. Your earnings include your overrides, free products, Insider Rewards and other business credits, trips, etc.

The U.S. Internal Revenue Service (IRS) requires us to issue, by January 31st of each year, a Form 1099 to every Consultant who earns \$600.00 or more during the previous calendar year. Your Form 1099 will include all your earnings from your Thirty-One business, including your commissions and the other earnings described above. We will not issue you a Form W-2 because you are not an employee of Thirty-One.

As a Consultant, you are an independent contractor of Thirty-One thus "self-employed." For that reason, it's important that you keep complete and accurate records of your business income and expenses. You will need those records to complete Schedule C of your federal income tax return, which is where your business income and expenses are reported.

We strongly recommend that you talk with your own tax advisor to learn how the tax laws apply to your Thirty-One business. Your tax advisor can help you determine if, and to what extent, some of the expenses of your business (such as use of your vehicle or a home office) are deductible. You can also get some general guidance from the IRS web site at www.irs.gov.

If your state and/or city collects income tax, you may need to file income tax returns with them, as well.

Insider Credits and Free Items are Taxable Income

When you set up a party, if you are not the hostess and will not receive the Insider Rewards, be sure to enter your hostess' name and address (not yours). If you want the Party's Orders shipped to you instead of to the hostess, choose the "ship to consultant" option instead of the "ship to hostess" option. If you enter your own name as the hostess, all the Insider Credits used and the retail value of any Insider Free items earned must be treated as reportable income for you per IRS regulations.

Your hostess should report the value of Insider Credits she uses and the retail value of any Insider Free items she receives as income on her tax return. Thirty-One does not currently have the ability to track these items for non-Consultants.

For specific guidance on tax-related topics related to the Thirty-One Marketplace order type, please see TOT Consultant Perks for more information.

What are the high-level guidelines for marketing?

We've worked hard to build the value of the Thirty-One name for the benefit of your business and ours. It's very important that you help us protect our image, reputation and brand by following our policies and procedures for marketing and advertising – both for print and online.

Identify Yourself as an Independent Thirty-One Consultant

To avoid any implication that your independent Thirty-One business is Thirty-One Gifts LLC, you must always:

Use your own name and clearly identify yourself as an Independent Thirty-One Consultant. This applies to all of your communications (verbal and written), marketing (print and online), telephone listings and greetings, business cards, etc. For example, list your Title with Thirty-One after your name (e.g., "Susan Smith, Independent Thirty-One Gifts Consultant").

For all Consultant produced marketing (including all print, pictures, videos and audio recordings) that has been CAGS approved, include the following disclosure:

This marketing material was created by **[NAME]**, an Independent Consultant for Thirty-One Gifts LLC, who is solely responsible for its content. Thirty-One Gifts LLC does not endorse and is not responsible for the content of this marketing material.

For your bank accounts, credit applications or other business forms, you also can't use the Thirty-One name or trademark. Checking accounts can simply be designated as "Business Accounts." If you need to list a business on your checking account, credit application or other form, use your name and "Thirty-One Gifts Independent Consultant." You may not use the Thirty-One name or trademark to form a registered business entity. This is intended to avoid any implication that your independent Thirty-One business is our Home Office.

Protecting the Thirty-One Name, Logo, Trademark, Designs, Images & Symbols

Because we need to protect the value of the Thirty-One name, we won't allow any unauthorized use of our name, logo and trademark or designs, copyrights, images or symbols. Without prior approval from CAGS, you can't sell or create any crafts, jewelry, clothing, business supplies or similar items that include our name, logos, trademarks, designs, images or symbols. Also, you may not alter or change our name, logo, trademarks, designs, images or symbols. For example, you can't change the background color or script of the Thirty-One logo.

To make it easier for you to market your business, we provide elements from the current Catalog, complete with creative images, photos and suggested fonts and colors. These images may be used on event materials and other pieces to promote your Thirty-One business. You can change the size of these images; however, the size ratio, coloring and shading may not be altered. To get started, please visit the "Marketing" section on TOT.

Consultants often use words, images, phrases, taglines, and/or ideas developed or coined within the Thirty-One community for use by all Consultants. Examples of these items include product and fabric names, Catalog images, and phrases like "Celebrate & Connect" and "Celebrate, Encourage, Reward."

- You can't claim ownership of or the exclusive right to use these items
- You understand and agree that you won't try to register any these items as a trademark, copyright or domain name and, if you do so anyway, you agree to assign the trademark application or registration, or copyright or domain name registration to us
- By signing the Application, you understand that you are assigning to us any rights you may have to words, images, phrases, taglines, and/or ideas developed or coined within the Thirty-One community, and that we may register any of these items at our sole discretion

Marketing Materials

We produce a variety of sales aids, business tools, and support materials to help you promote your Thirty-One business. We carefully design these materials to ensure that they're fair, accurate and comply with all applicable legal requirements. Although we respect your passion for Thirty-One and your independent business, we strongly recommend that you use the materials we've created rather than your own materials.

You don't need approval to use any of the marketing materials supplied on TOT, or to share Thirty-One produced graphics on social media. However, if you create your own marketing and advertising materials, you must submit them to CAGS@thirtyonegifts.com for approval. You can't use your materials unless we give you prior written permission. We're not responsible for any costs you incur to create your own materials (including losses you may incur if we deny or rescind permission for you to use your materials) nor do we assume any liability for its contents. You are responsible for ensuring that your materials do not infringe on the trademarks and copyrights of third parties, that the content of the materials is truthful and accurate and that your marketing materials comply with all legal requirements.

Talking to the Media

It's very important that the media receives accurate and consistent information about Thirty-One, so our Home Office is the primary contact for the media. If you're contacted by a member of the media for information about our Company, please refer them to CAGS. You may not respond to media inquiries about our Company or our products.

There are also some important rules to follow if you're contacted by the media about your Thirty-One business. You may not talk to the media about your Thirty-One business without our prior written permission. Here are some rules we will follow when considering whether to approve your request to talk to the media:

- You must submit your request to CAGS at least five business days prior to the interview if possible.
- You must have been a Consultant for at least one year <u>or</u> your Paid-At Title must be Director or above.
- You must have conducted at least five parties within the last three consecutive months.

Home Office Leads

We invest a lot of time, energy and money in building our reputation and public awareness of the Thirty-One brand. We do this to attract new Customers and potential new Consultants, which benefits our business and yours. We receive many requests (which we call "Home Office Leads") from potential Customers and recruits for information about Thirty-One, our products and the opportunity to become Consultants. We have a program to refer Home Office Leads to our existing Consultants. We believe the best way to build your Thirty-One business is to conduct parties and use your own "social network." You shouldn't expect to receive Home Office Leads and they're not a way to sufficiently build your business. For detailed information about our program and its eligibility requirements, please refer to "Home Office Lead" summary located on TOT (Program & Events > All My Perks (AMP) > AMP Leads).

Because of the various federal, state and local laws and guidelines for the proper acquisition and security of personal data, you should not create your own forms or methods of data capture in order to acquire Leads. Thirty-One Gifts LLC is not responsible for the contents and/or security of any data acquired by Consultants in this manner. All data on potential recruits and Customers should instead be entered and stored through your Virtual Office.

As a Consultant, please do not access the Lead Pool to find another Consultant or to test the system.

How can I market and support my Thirty-One business?

Domain Names, Email Addresses and Online Aliases/User Names

You are not allowed to use or register Thirty-One, Thirty-One Gifts or any of Thirty-One Gifts trademarks, product names, or any derivatives, including the number 31, for any Internet domain name (including blogs and team websites), email address, or online aliases/user names (including social media sites – such as Facebook, Twitter, Pinterest, Instagram, Snapchat, etc.*). Additionally, you cannot use or register domain names, email addresses, and/or online aliases/user names that could cause confusion, or be misleading or deceptive, in that they cause individuals to believe or assume the communication is from, or is the property of Thirty-One Gifts LLC, including but not limited to storefront names on unauthorized third-party websites such as www.amazon.com and www.eBay.com. Examples of improper use include, but are not limited to:

thirtyonegiftsgal@gmail.com or Thirty-One Gifts showing up as the sender of an email

- www.31giftsisgreat.com or www.31flashsale.com
- www.facebook.com/thirtyonegiftsfan
- http://thirty-oneinohio.blogspot.com or http://31giftsbySaly.blogspot.com

Advertisements/Paid Media

There are four types of advertisements/paid media that are permitted for your Thirty-One business. Each one of these advertising methods is done at your own cost:

- Print advertising
- Sponsored links or pay-per-click ads
- Facebook Advertising
- Promoted Tweets

We strongly believe in a culture that focuses on relationships and community. Our advertisement policies and procedures help us ensure that the core of our business, the party model, is healthy, by positioning advertising as a support and supplement to your core business activities. All advertisements must be accurate, professional, not misleading and comply with our policies and procedures, including those for using the Thirty-One name, logo and trademark. For Fundraiser advertisements, you must identify the organization to which any proceeds are being donated.

Print Advertising

You may want to place print advertisements for your Thirty-One business and you may do so in either newspapers or magazines. We are a little more stringent in our print advertising because of the life cycle in which print advertisement can be saved and viewed. Please abide by the following guidelines:

- Do not place print advertisements unless we give you prior written permission
- Please send your request (including the ad copy, graphics and artwork) to CAGS@thirtyonegifts.com at least five business days prior to the submission deadline
- Once the advertisement runs, please scan and send the final advertisement to CAGS@thirtyonegifts.com (subject line: FINAL ADVERTISEMENT)

^{*} The only exception to this section is Consultants who enrolled prior to July 2012 and have remained active are permitted to keep their original 31 domain names, email addresses and online aliases/user names.

Sponsored Links/Pay-Per-Click Ads

Sponsored links or pay-per-click ads are acceptable. The destination URL must be to your Replicated Website (www.mythirtyone.com). The display URL must also be to your Replicated Website, and must not portray any URL that could lead the user to assume they are being led to a Thirty-One corporate website, or be inappropriate or misleading in any way.

If you choose to promote your business through paid advertising online, you must adhere to the following:

- In the header/subject line of your ad, the first three words need to be "Shop with Name" (ex. Shop with Jenny). If these three words are not included, it may result in the Consultant's site being temporarily disabled until we have a verbal phone call with the Consultant.
- In addition, we ask that you add a parameter "?source=ad" to the URL associated with your ad. If the ad is for an event, the parameter should include "&source=ad". See examples below:
 - Home page example: www.mythirtyone.com/jenny/?source=ad
 - Event page example: https://www.mythirtyone.com/shop/eventhome.aspx?eventId=E5161355&from=M YEVENTS&source=ad
- You may only use the Thirty-One name in your replicated website.
- You may not use the Thirty-One name on any line of your advertisement.
- You must identify yourself as an Independent Consultant (do not include Thirty-One).
- You may use general descriptions in your advertisement; however, you cannot use any Company Trademarks, product names or any derivatives, including the number 31.

Example of an approved Ad

Shop with Jenny / Independent Consultant www.mythirtyone.com/jenny/?source=ad

Thermals, Backpacks & Totes for all ages. Totes and Purses. Photo Personalization. Home Décor.

Be your own Boss

Search Engines/Metatags/Keywords/Bidding

We have a no-tolerance policy regarding the use of our trademarks or names in metatags and/or hidden text or bidding on Thirty-One brand keywords. Specifically, the use of our

trademarks or names in metatag keywords is trademark infringement, and the use of trademarks or names in page text, metatags, and/or hidden text or bidding on Thirty-One brand keywords for purposes of gaining higher rankings from search engines is unfair competition. You may not, without our express written consent, do any of the following:

- link to any web page on any of our Online Channels for the purpose of appearing to be affiliated with or endorsed by us or to gain higher rankings in search engines;
- use any metatags or any other "hidden text" or bidding utilizing our name or trademarks; or
- frame, inline link or utilize other techniques to associate or juxtapose any of our trademarks, logos, or other information with advertisements and/or other information not originating from our Online Channels

We retain the right at our sole discretion to deny anyone access to our Online Channels at any time and for any or no reason. You are also advised that we will aggressively enforce our intellectual property rights to the fullest extent of the law, including the seeking of civil remedies and criminal prosecution.

Banner Advertising

You may place banner advertisements on a website provided you use our approved logos. All banner advertisements must link to your Replicated Website (www.mythirtyone.com). You may not use blind ads or web pages that make product or misleading income claims that are ultimately associated with us, our products or the Thirty-One opportunity. You may advertise your business through web banner ads provided the ads have been reviewed and approved by CAGS.

Replicated Website

To help you start your Thirty-One business, you'll be charged a monthly subscription for a replicated website that resides on the thirtyonegifts.com domain (www.mythirtyone.com/[Consultant ID]) and the monthly customer email service. A monthly subscription fee will be charged to the credit card you have on file with us for the Replicated Website and Monthly Customer Email. The replicated website contains a Virtual Office and other business building and management tools to help you develop and operate your Thirty-One Gifts business. The monthly customer email service involves customer emails that Thirty-One Gifts sends on your behalf to your customers to promote your business. Residents of North Dakota are not required to purchase a monthly subscription.

You may cancel or make changes to this monthly subscription at any time through your Virtual Office on the Subscription tab. If your Agreement is terminated, any fees you paid for a monthly subscription are nonrefundable, except if a refund is required under the law of your state of residence. Please read "Effect of Resignation or Termination."

Here are some rules you should know about your Replicated Website:

• You may not alter its look (placement, sizing, etc.), functionality or branding.

- You may not use it to promote, market or sell non-Thirty-One products, events or misleading income opportunities.
- You can personalize the "About Me" page and welcome message. You're solely responsible and liable for the content you add to your Replicated Website.
- We can receive analytics and information about the usage of your Replicated Website.
- You may not use the Thirty-One name or the number 31 (or any variations of them), for your Replicated Website.

External Website

You may create an external website to promote your Thirty-One business. It is your responsibility to keep information on your external website updated and current. You may not represent another business in conjunction with your Thirty-One business on your website.

Note: You cannot have any type of ordering/selling and/or recruiting platform except a link to your Thirty-One Replicated Website. You may use your external website for the purpose of communicating with your team. Your team website needs to be closed and password protected (so it can't be viewed by the public) and you will need to revoke the access of any Consultant who leaves your team.

You can't use the Thirty-One name or the number 31 (or any variations of them), for your external/team website, Replicated Website or any other website. For example, website names like these are NOT allowed:

- http://thirtyoneisfun.blogspot.com
- http://31giftsbySaly.blogspot.com
- http://thirty-oneinohio.blogspot.com
- www.thirtyoneconsultantsrock.com
- www.mythirtyone.com/31totes

Online Sales

You are not permitted to list or sell Thirty-One products through any website other than your Replicated Website (www.mythirtyone.com) or a website approved by the company in writing.

Consultants may not (directly or indirectly through any intermediary or instrumentality) offer for sale, or facilitate the offering of Thirty-One products for sale through any auction, online auction website, or any e-commerce or other website. This prohibition includes, but is not limited to eBay, Etsy, Craig's List, Amazon, public Facebook Groups, and Facebook's marketplace. This prohibition does not include closed or secret Facebook Groups. Online selling of product on any prohibited site could result in termination of your Agreement or any of the actions described under "Violating Thirty-One's Policies and Procedures or Engaging in Illegal, Fraudulent, Deceptive or Unethical Behavior". This provision survives the termination of your Agreement.

In the event that a Consultant sells Thirty-One products through online sales sites, or through any other unauthorized website, in breach of the Consultant Guidebook, and in addition to any other remedies hereunder or available by law, the Consultant hereby agrees to pay Thirty-One five hundred United States dollars (\$500.00) for each unit of the Thirty-One product in each instance of a prohibited, unauthorized and/or noncompliant sale. The Consultant acknowledges and agrees that a breach of such obligations will cause irreparable harm and damage to Thirty-One, its brand reputation, and its goodwill. The Consultant expressly waives any defense to Thirty-One's claim to such liquidated damages on the basis that actual damages are unascertainable or that such liquidated damages do not represent a reasonable determination of Thirty-One's damages or penalties.

All of your activities related to sales of our products and recruiting of Consultants must be directed through your Replicated Website (www.mythirtyone.com). If you are found to be in violation, we have the right to terminate your Agreement immediately.

We do allow you to promote the Thirty-One opportunity and products through your social media channels and groups so long as you are directing people back to your Replicated Website. If you are referring to any type of income, you must include a link to the current Income Disclosure Statement (IDS) in your post.

Please read through the "Social Media" section for more information. If you still have questions, please call CAGS at 614-414-4531.

Unsolicited Email Spamming, Mass Emailing, Texting

You're not allowed to transmit mass, unsolicited emails or texts to promote our products or the Thirty-One opportunity to people who you don't know, or who haven't given you permission to contact them. You are permitted to communicate only with individuals who are "opt in" subscribers. Opt-in subscribers are people who requested to be included in emails or other communications from you and you have proof of the request.

Any email you send that promotes Thirty-One, our products, or the Thirty-One opportunity must:

- Be sent only through your Virtual Office and have a functioning return email address to the sender.
- Include your physical mailing address.
- Clearly and conspicuously disclose that the message is an advertisement or solicitation.
 All emails sent through your Virtual Office automatically include this language.
- Not contain deceptive subject lines and/or false header information.
- Include an opt-out link that allows the recipient to unsubscribe from future email
 solicitations or correspondence. All emails sent through your Virtual Office and all
 marketing emails automatically include the opt-out link. You can see a Customer's
 email status by looking up their information in your Virtual Office. You must honor all
 opt-out requests received by email or regular mail and may not send any additional
 emails unless it's in response to a Customer's order or inquiry; and for emails related to

the Thirty-One "opportunity", Consultants must include a reference to the IDS. For example: For more information about what you can expect to earn as a Thirty-One Consultant, please read our Income Disclosure Statement posted on the "Join Us" page at thirtyonegifts.com.

To help you grow your business, Thirty-One may send promotional emails on your behalf and promotional texts. By entering into the Agreement, you agree that we may send these emails and texts to you and to your Customers. For Consultants who pay for the Replicated Website and email, marketing has given you the opportunity to update a message to Customers. This message must be in compliance with our policy and procedures and business practices. You are solely responsible and liable for the content you add to this email message.

Unsolicited Faxes, Spam Linking, Links

You may not use or transmit unsolicited faxes in connection with your Thirty-One business or spam link. Spam linking is the consecutive submission of the same or similar content into blogs, social media sites, websites or other publicly accessible online discussion boards or forums and is not allowed. Any comments you make about you and your Thirty-One business on these sites must be unique, informative, and relevant.

When directing readers to your Replicated Website (www.mythirtyone.com), it must be obvious from the link and context that the link is to the site of a Consultant and not the Thirty-One corporate website. The determination as to what is misleading will be at our sole discretion. The use of "hotlinks" is strictly prohibited.

What is social media?

Social media is a wonderful way to build community and strengthen relationships when used appropriately. Social media includes Internet forums, blogs, wikis, social networks (Facebook, Pinterest, Instagram, Twitter, Snapchat, YouTube, etc.), podcasts and any other form of usergenerated content shared on the Internet.

Thirty-One is currently active on the following social media channels:

- Facebook (www.facebook.com/thirtyone), (www.facebook.com/ThirtyOneConference)
- Pinterest (www.pinterest.com/thirtyonegifts)
- Instagram (www.instagram.com/thirtyone)
- Twitter (https://twitter.com/ThirtyOne)
- YouTube (www.youtube.com/user/thirtyonegifts)

We expect you to abide by all policies and procedures that apply to our current channels and to all new and emerging sites in the social media space. We reserve the right to limit or remove your participation in any of our social media platforms if your posts/comments are deemed negative, hurtful or damaging to the company and its brand or other Consultants. If you have questions, please call CAGS at (614) 414-4531.

Our Goal for Social Media

Our goal for social media is to provide our Customers and Consultants with a simple, easy, and fun space to interact with each other. In doing so, we strive to maintain three major pillars for successful relationship building in our party plan business:

- Protect our brand and yours
 - We want to ensure that the Thirty-One brand, as well as your Thirty-One business is protected, by helping you avoid interactions that may be perceived as negative.
- Build upon the core of our PARTY plan business
 - We strongly believe in a culture that focuses on relationships and community.
 Our social media policies and procedures help us ensure that the core of our business, the party plan model, is healthy, by positioning social media as a support and supplement to your core business activities.
- Create and maintain a fair and level playing field for Consultants
 - We want to ensure that social media interactions can be replicated and are fair for all Consultants.

Before you begin to engage on social media, remember, post with care! Items you post online may be indexed by search engines, so they can and will remain public and be associated with you even if the original post is deleted.

Never participate in social media when the topic being discussed may be considered a sensitive situation. For example, complaining about backordered product is a customer service topic and is not appropriate content for Consultants to post on any of the official Thirty-One social media pages. If you aren't sure if a topic is considered a sensitive situation, it's best not to post anything at all. Instead, direct questions or concerns to your Upline, log onto TOT, or call Consultant Support (614-414-GIFT).

Any information you may receive prior to disclosure to other Consultants should not be shared on any social media platform. This includes, but is not limited to, sneak peeks, amenities, special promotions or information shared on Leader Calls, Webinars, Leadership Trips, Conferences and special events. Violators may be subject to any of the actions described under "Violating Thirty-One's Policies and Procedures or Engaging in Illegal, Fraudulent, Deceptive or Unethical Behavior," including termination of their Agreement.

We expect you to abide by all Social Media platforms terms and conditions. You are responsible to educate yourself on the terms and conditions prior to posting as each social media site can vary.

- https://www.facebook.com/policies
- https://help.twitter.com/en/rules-and-policies/twitter-rules
- https://policy.pinterest.com/en
- https://www.instagram.com/about/legal/terms/api/
- https://support.snapchat.com/en-US/a/guidelines
- https://www.youtube.com/yt/about/policies/#community-guidelines

The purpose of the Thirty-One social media pages are to provide a place for Customers and Consultants to connect, interact and share the love for Thirty-One and Thirty-One products.

Content (posts, pins, tweets, photos, videos, etc.) posted on the Thirty-One social media pages are created and posted with both Consultants and Customers in mind and is meant for sharing and interaction. So that our content remains shareable, please do not tag yourselves or others unless we specifically ask you to do so.

You may share Thirty-One's content in the following ways:

- Post to your timeline or repin to your board
- Post to a friend's timeline
- Send a private message to a friend
- Share on a page you manage, like a Public Figure/Business Person Page
- Share in your closed groups
- Download and send via email, text, etc. to a friend

These pages are not the place for selling, recruiting or exchanging Consultant-specific information. This type of behavior can damage the reputation of Thirty-One and of Thirty-One Independent Consultants.

All Consultant Support issues should be handled by reaching out to your Upline, or by contacting our team at (614) 414-GIFT, posting on our Social Care Page or emailing ordersupport@thirtyonegifts.com.

Please note: Recruiting for another Direct Sales Company on your Facebook page violates Thirty-One's non-solicitation policies. Please review the following sections titled Selling Other Brands or Products, Including Other Direct Selling Businesses and Soliciting Thirty-One Customers and Consultants to Enroll or Participate in Another Multilevel Marketing, Network Marketing or Direct Selling Opportunity.

If you see inquiries about Thirty-One parties, products or the opportunity posted on any of the Thirty-One social media pages, your response has to direct that individual to a Thirty-One Gifts website or phone number and cannot include your mythirtyone.com website or contact information.

- DO NOT send unsolicited private messages or friend requests to individuals posting on the Thirty-One (or any) social media pages as this is a direct violation of policy.
- If you see a fellow Consultant on the page who is in violation of the above guidelines, do not attempt to handle it yourself by engaging her in a public conversation. Allow the social media team to hide the offending post(s) and escalate if necessary.

Blogs

If you're writing a blog that mentions Thirty-One, please identify yourself as an Independent Thirty-One Consultant and clearly state that the views expressed on the blog or website are yours alone and don't represent the views of Thirty-One Gifts LLC.

You may not share our confidential information in any blog. For more information about what information is "confidential," please read the "Confidential Information" section under "Is there anything else I should know about being a Consultant?" If you post about Thirty-One features, products, parties or experiences, you may include information that directs traffic to your Replicated Website (www.mythirtyone.com).

How does Thirty-One support charities and fundraisers?

Through our charitable program, Thirty-One Gives, we are proud supporters of several nonprofit organizations in the United States and Canada that align with our mission, and we offer our support to those organizations in a number of ways, including product donations, Consultant engagement, Home Office community partnerships and mission partnerships.

Thirty-One Gives – Corporate Logo



Please keep in mind that you can't use our Thirty-One Gives name or logo without our prior written permission. This includes the use of the Thirty-One Gives logo (even if you state that you're an Independent Sales Consultant). You can contact CAGS@thirtyonegifts.com for permission to use the Thirty-One Gives logo.

You can also purchase business supplies related to Thirty-One Gives for your events, parties and to celebrate your team, Hostesses and Customers.

For more information about Thirty-One Gives, please visit TOT under Program & Events > Thirty-One Gives or https://www.mythirtyone.com/us/en/info/gives.

Thirty-One Gives – Independent Consultant Logo



All Consultants are invited to be a part of our charitable efforts in their own communities for the causes close to their hearts. An Independent Sales Consultant version of the Thirty-One Gives logo has been created and approved for you to use when you're hosting fundraisers or sponsoring charitable events in your community. You can find the logo for your level on TOT under Business Support > Logos.

Fundraisers and Charity Affiliations

We don't provide a discount on bulk product for fundraising purposes. When you are affiliating with a charity in any manner or conducting any type of sale to assist a charity as part of your Thirty-One business, you should be sure to comply with all applicable federal, state and local regulations and legal requirements. As an example, donating all or part of your sales proceeds to a charity, and how you specifically conduct and advertise such a sale, may be strictly governed by certain laws.

Sales to Tax Exempt Organizations

If you're selling products to a non-profit or other tax-exempt organization, we can remove the tax from the order prior to submission. The organization will need to provide a certificate of tax exemption issued by its particular state. For more information about sales to tax-exempt organizations, please read the "Consultant Support – Tax Exempt" guide located on TOT (Business Support > Policies & Forms > Tax Tool Kit & Exemptions for US Consultants).

Does Thirty-One provide accommodations for disabilities?

Under Federal law and most State laws, a company is not required to make disability accommodations for independent contractors. If you have a question about this subject or a specific request, please contact CAGS by sending an email to CAGS@thirtyonegifts.com or calling (614) 414-4531. We will evaluate your question or request in accordance with state law requirements and our business practices.

Military Leave

We recognize there are instances where you or your spouse may be an active member of the U.S. military. In the event you and/or your spouse are deployed, you have choices. You may continue your Thirty-One business with some special restrictions or you may request for your account to be "on hold" during the deployment. Please read the "Consultants on Military Bases" section under "Where can I sell products and recruit new Consultants?" for information about continuing your Thirty-One business during your deployment.

If you would like to request that we place your account "on hold" during your deployment, please complete the "Military Leave Request Form" available on TOT (Business Support > Policies & Forms > Military Leave) and return it to CAGS@thirtyonegifts.com at least 30 days in advance. If we

approve your request, your Downline will Roll-Up to the first level of your Sponsor and you won't receive commissions or overrides for the length of your deployment. The "pass-by" rules will continue to apply during your military leave.

Upon your return from deployment, you will be returned to Active status if you submit an order of at least \$200 in Personal Volume. When you regain your Active status, your Downline will be transferred back to you.

What happens if I become inactive?

When you become Inactive, we "deactivate" you and any Downline will permanently roll-up to your Upline. This means that we deactivate your Replicated Website, your account on TOT, your access to any Thirty-One Gifts mobile application specific to Consultants and your Consultant ID. But don't worry – it's very easy to reactivate; however, please note that you will keep your original Sponsor and Consultant ID; however, you will not receive your Downline back. You won't be eligible for new Consultant reward programs and you won't count as a new recruit for such purposes as contests and trip incentives.

Inactive for 0-6 Months

If you are Inactive for six months or less, it's easy to become Active again – "Log into TOT with the self-reactivation link and your status will be changed to "active" and you will be allowed to submit sales through any order type. The Thirty-One Independent Consultant policy requires \$200 Personal Volume to retain active status, so when you self-reactivate you must submit \$200 Personal Volume within the same period (sales month) or your account will be returned to an inactive status."

Inactive for 6-12 Months

If you're Inactive for 6-12 months (no personal volume), there are two ways to become Active again:

Follow the process described in "Inactive for 0-6 Months" above.

OR

 You can submit a new Application and purchase a new Enrollment Kit (or opt for a kit-free enrollment purchase option if one is being offered by the Company at the time). You can sign up under a new Sponsor and you'll be assigned a new Consultant ID.

Inactive for 12+ Months

We'll automatically terminate your Agreement if you're Inactive for more than 12 months.

How can I stop being a Thirty-One Consultant?

There are many different ways your Thirty-One business can come to an end. **Either one of us can end our relationship at any time for any reason.**

Resignation

You have the choice of resigning and terminating your Agreement at any time and for any reason by giving us notice. You can find the "Self Termination" form on TOT (Business Support > Policies & Forms > Self Termination Form). You can also contact CAGS@thirtyonegifts.com to request a "Resignation" form, and then return the completed form to us by email (CAGS@thirtyonegifts.com) or fax (614-337-1459). When you resign, you're responsible for notifying your Sponsor and any Downline Consultants. If you choose to resign, you will not be able to rejoin Thirty-One for six months.

Termination by Thirty-One

We'll automatically terminate your Agreement if you're Inactive for more than 12 months.

We can terminate your Agreement at any time for any reason by giving you notice (in writing or email) of our decision. Some of the circumstances that may lead us to terminate our Agreement with you are listed throughout this Consultant Guidebook and include, but are not limited to, the following:

- You don't follow (or you act in a way that is inconsistent with) your Agreement or any of our policies and procedures
- You misrepresent our products or the Thirty-One opportunity or discredit us, our reputation, our products or the reputation and/or products of anyone else
- You violate (or you act in a way that is inconsistent with) a law or act unethically
- You don't submit orders or payments to us in a timely manner or you become insolvent

We also reserve the right to terminate all Agreements if we elect to:

- Stop operating our business
- Dissolve as a corporate entity
- Decide to stop distributing our products through direct selling or cease operating in a certain geographic region

Effect of Resignation or Termination

The termination of your Agreement (whether by you or us) may become effective after we've issued commission checks in the month following the month in which your Agreement was

terminated, unless termination becomes effective at a different date determined by Thirty-One Gifts in its sole discretion.

Upon termination of your Agreement:

- In accordance with applicable laws, you'll no longer have the right to offer or sell our products and you must stop representing yourself as a Thirty-One Consultant
- We will terminate your right to use or access your Replicated Website, your account on TOT, your access to any mobile application we provide for Consultants, and your Consultant ID
- We'll pay commissions and bonuses you earned for the last full commission pay period you were Active prior to your termination
- You waive all of your rights to your Downline, including property rights and your right to receive future commissions, bonuses or other income resulting from sales by your Downline
- Your Downline will "Roll-Up" to the first level of your Sponsor
- You'll lose any gift certificates, rewards, incentives, and credits you have earned for products and business supplies
- You'll promptly pay any amounts you owe us

Returning Your Enrollment Kit and Business Supplies

We offer business supplies and promotional materials, as well as products (purchased separately from the Enrollment Kit) at a discount for your convenience.

When your Agreement is terminated, you may return any Enrollment Kits (if applicable) and business supplies that you personally bought from us during the previous year. We will refund you 90% of the net cost of the original purchase price so long as the returned item is "resalable," which means:

- It is returned unopened, unused, without personalization and its packaging and labeling haven't been changed.
- It is in resalable condition and it is currently marketable which shall be determined on the specific condition of the product. Factors to be considered when determining resalable condition and current marketability are condition of the goods and whether or not the products have been used or opened.
- It was not identified as nonreturnable, discontinued or seasonal prior to your purchase.

The shipping and handling fees you paid for the shipment to you and return are not eligible for a refund. If we paid you a commission on any of the items you return to us, we will deduct the amount of the commission from your refund in accordance with applicable laws.

If you're a resident of Louisiana, Massachusetts or Wyoming, then you may return your Enrollment Kit and business supplies to us at any time for a refund of up to 90% of the purchase price so long as they are resalable.

If you reside in Montana, you can cancel your Agreement within 15 days from the date you enrolled and return your Enrollment Kit and business supplies to us for a full refund.

Account Suspension

We may suspend your account if you owe us money or if we suspect you have violated one of our policies or procedures. If we suspend your account, and in accordance with applicable laws, you may not be allowed to place orders, receive compensation or incentives, register for company sponsored events or obtain other Consultant benefits until your account is current or the violation is resolved to our satisfaction. We may deactivate your right to use or access your Replicated Website, your account on TOT, your access to any mobile application we provide for Consultants and your Consultant ID.

Death

In the unfortunate event of your death, we'll pay your estate any commissions or other amounts you accrued before your death. Unless you have made prior arrangements to transfer your business through the Legacy Program, your Agreement will automatically terminate on the date of your death, and your Downline will Roll-Up to your Sponsor's first level. Thirty-One prohibits the transfer of the Agreement to any other individual at any time, including any individual identified in a will or designated by statute for transfer as an heir, unless approved by Thirty-One through the Legacy Program. Leaders with 15-years of tenure with Thirty-One are permitted to apply for the Legacy Program, which permits assignment of the Agreement, in certain situations, upon death and incapacity of the Leader, subject to approval by Thirty-One.

Is there anything else I should know about being a Consultant?

Yes. There are some other important things you should know about being a Consultant and we've outlined them below.

Consultant Product Ideas, Marketing Materials and Training Tools

We love our Consultants' passion and enthusiasm for Thirty-One and are often impressed by our Consultants' ideas for new products, as well as the training tools and marketing materials they create. Our Consultants often send us these ideas and many times we want to share these product ideas or share these training tools and marketing materials with other Consultants. This is why it's important for you to understand that any unsolicited suggestions or information you send us will be treated as non-proprietary and non-confidential and will become our property for use without compensation in our sole and unlimited discretion.

You understand and agree that:

- When you share your materials and ideas with us (including new product ideas, product improvements, manufacturing improvements, training tools and techniques, and marketing materials), you are assigning to us any and all personal and intellectual property rights you may have to those materials and ideas (including any designs, works of art, appearances, inventions, methods, processes and improvements).
- We may register or patent any of these items at our sole discretion.
- You will perform any acts that we believe are necessary for us to seek registration of a copyright, patent or trademark for any of the assigned rights and to vest the title you have conveyed to us.

Amendments

Thirty-One reserves the right to amend the following information, and you acknowledge our ability to make amendments to the:

- Agreement.
- Career Path.
- Consultant Guidebook.
- policies and procedures posted on TOT and price and selection of our products, including which products can be personalized.

We will communicate amendments to you through our official company publications, postings on our websites, special mailings, voice messages or email. Any amendments we make will become effective and binding on all of our Consultants 30 days after they are communicated (unless otherwise noted as applying earlier) and will not retroactively apply to conduct that occurred prior to the effective date of the amendment. Your continued operation of your Thirty-One business or your acceptance of any commissions, overrides, bonuses or other benefits after the effective date of any amendment represents your acceptance of the amendment. If an amendment conflicts with any original documents, then the amendment will control.

Violating Thirty-One's Policies and Procedures or Engaging in Illegal, Fraudulent, Deceptive or Unethical Behavior

We expect all of our Consultants to live our values. It's important for you to follow the highest standards of ethics, honesty, integrity and professionalism when dealing with Customers, Hostesses, fellow Consultants, Thirty-One employees and any third parties. You will be held responsible for violations of our policies or procedures committed not only by you, but by any member of your immediate household or business with which you are directly or indirectly associated. We may, at our sole discretion, take any of the following actions if you violate any of our policies and procedures or engage in any illegal, fraudulent, deceptive or unethical behavior, including but not limited to:

- Prohibit your participation on Thirty-One administered social media sites and pages
- Place your account on hold and suspend your authority to operate your Thirty-One business
- Impose a fine (which we may withhold from your commissions in accordance with laws)
- Reassign one or more Consultants in your Downline to another Sponsor
- Terminate your Agreement (Please read "Effect of Resignation or Termination")
- Reduce your current Consultant status (temporarily or permanently)
- Report suspected or actual criminal behavior to law enforcement
- Take legal action against you or any other action that we believe is appropriate and practical in our sole discretion to resolve any harm or potential harm caused by your behavior

Complaints

If you have a complaint about another Consultant regarding any practice or conduct related to Thirty-One, please try to resolve the situation and report it to the other Consultant's Sponsor. If the situation can't be resolved, please report it to CAGS at CAGS@thirtyonegifts.com.

Confidential Information

As a Consultant, you will learn or have access to "Confidential Information," which includes but is not limited to:

- lists of Customers and their contact information.
- product releases and information.
- sales figures and financial information.
- lists of Consultants and their contact information, and personal and group sales volume, status, and Paid-At Titles.

This Confidential Information belongs to Thirty-One and constitutes a "trade secret" for legal purposes. We may make the Confidential Information available to you only for the purpose of supporting you, your Downline and to help develop your Thirty-One business. You may use Confidential Information only in connection with your Thirty-One business while you are an active Consultant with us and for no other purpose. You must protect the Confidential Information and not share or make it available to any other person, including your Downline, or business entity until instructed by the Home Office. You understand and agree that any wrongful disclosure of the Confidential Information will cause us immediate and irreparable harm and that we may pursue any and all legal remedies available against you if you violate your obligations regarding our Confidential Information. This provision will survive the termination of your Agreement.

Information that we learn about you once you become a Consultant, including but not limited to your personal information, sales volume or other financial information related to your Thirty-One

business or Paid-At Title, also belongs to us. We may share this information with our affiliates and/or unrelated third parties. You agree that we may share all information related to your personal sales volume with all other Consultants at Conference, and in other electronic, video, and print materials.

Reports

We strive to provide you with accurate and reliable reports (e.g., Personal Volume, commissions, overrides, Downline activity reports and Downline sponsoring activity) about your Thirty-One business, but sometimes there are errors. These errors can be caused in a number of ways, including human error, computer errors, the timeliness of order processing, denial of credit card payments, returned products, etc. Therefore, we simply can't guarantee the accuracy of the reports we provide to you.

ALL INFORMATION (INCLUDING PERSONAL AND GROUP SALES VOLUME) IS PROVIDED TO YOU "AS IS" WITHOUT WARRANTIES, EXPRESS OR IMPLIED, OR REPRESENTATIONS OF ANY KIND WHATSOEVER, IN PARTICULAR BUT WITHOUT LIMITATION THERE ARE NO WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR USE, OR NON-INFRINGEMENT.

TO THE FULLEST EXTENT PERMISSIBLE UNDER APPLICABLE LAW, THIRTY-ONE AND/OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION WILL IN NO EVENT BE LIABLE TO ANY CONSULTANT OR ANYONE ELSE FOR ANY DIRECT, INDIRECT, CONSEQUENTIAL, INCIDENTAL, SPECIAL OR PUNITIVE DAMAGES THAT ARISE OUT OF THE USE OF OR ACCESS TO PERSONAL AND/OR GROUP SALES VOLUME INFORMATION (INCLUDING BUT NOT LIMITED TO LOST PROFITS, BONUSES, OR COMMISSIONS, LOSS OF OPPORTUNITY, AND DAMAGES THAT MAY RESULT FROM INACCURACY, INCOMPLETENESS, INCONVENIENCE, DELAY, OR LOSS OF THE USE OF THE INFORMATION), EVEN IF THIRTY-ONE OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. TO THE FULLEST EXTENT PERMITTED BY LAW, THIRTY-ONE OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION SHALL HAVE NO RESPONSIBILITY OR LIABILITY TO YOU OR ANYONE ELSE UNDER ANY TORT, CONTRACT, NEGLIGENCE, STRICT LIABILITY, PRODUCTS LIABILITY OR OTHER THEORY WITH RESPECT TO ANY SUBJECT MATTER OF THIS AGREEMENT OR TERMS AND CONDITIONS RELATED THERETO.

Indemnification

Indemnification is one party's agreement to pay for the losses another party suffers. It's similar to an insurance policy. For example, if your home is damaged by an accidental fire, the insurance company will indemnify you (i.e., it will pay for the losses you suffered because of the fire). This same concept applies to our contract with you.

By virtue of our beginning and continuing our business relationship, both you and Thirty-One mutually agree to indemnify and hold harmless the other (and its members, managers, directors, officers, employees, agents and assigns) from and against any damages, losses, claims, liabilities and expenses (including attorneys' fees) in the following situations:

Statements and misrepresentations made in person, online or otherwise

- breach of any of Thirty-One's policies or procedures (whether or not contained in the Agreement, including the Consultant Guidebook)
- violation of, or failure to comply with, any law or regulation

This mutual indemnification obligation of you and Thirty-One will continue to survive even after a Consultant's Agreement ends or is terminated.

Mediation and Arbitration

We hope to enjoy a good business relationship with you, but there may be times when a dispute arises.

If there is a serious dispute between us relating to the Agreement, we may, so long as you agree, meet in good faith and attempt to resolve the dispute through mediation instead of a lawsuit. The mediation will occur in Columbus, Ohio, or Dallas, Texas, within 60 days from the date on which the mediator is appointed. The mediator's fees and costs, as well as the costs of holding and conducting the mediation, will be divided equally between the parties and be paid at least 10 days in advance of the mediation. Each party will pay its own attorneys' fees, costs, and individual expenses associated with conducting and attending the mediation.

If the mediation is unsuccessful, any controversy or claim arising out of or relating to the Agreement will be settled by arbitration instead of a lawsuit. IN ANY LEGAL PROCEEDING RELATING TO YOUR AGREEMENT, BOTH OF US AGREE TO WAIVE ANY RIGHTS WE MAY HAVE TO:

- LITIGATE IN COURT OR ARBITRATE ANY CLAIM OR DISPUTE AS A CLASS ACTION OR COLLECTIVE ACTION EITHER AS A MEMBER OF A CLASS OR AS A REPRESENTATIVE, OR TO ACT AS A PRIVATE ATTORNEY GENERAL, AND
- A TRIAL BY JURY.

The arbitration will be filed with, and administered by, the Judicial Arbitration and Mediation Services Endispute ("JAMS") under their respective rules and procedures and be held in Columbus, Ohio or Dallas, Texas. The Streamlined Arbitration Rules & Procedures are available on the JAMS website at www.jamsadr.com.

Notwithstanding the rules of JAMS, the following will apply to any arbitration:

- The Federal Rules of Evidence will apply in all cases
- The parties will be entitled to all discovery rights permitted by the Federal Rules of Civil Procedure
- The parties will be entitled to bring motions under Rule 12 and/or Rule 56 of the Federal Rules of Civil Procedure
- The arbitration will occur within 180 days from the date on which the arbitrator is appointed, and will last no more than five business days

• The parties will be allotted equal time to present their respective cases, including cross-examinations

There will be one arbitrator selected from the panel that the Alternate Dispute Resolution service provides. Each party will be responsible for its own costs and expenses of arbitration, including legal and filing fees. The decision of the arbitrator will be final and binding on the parties and may, if necessary, be reduced to a judgment in any court of competent jurisdiction. This agreement to arbitrate will survive the cancellation or termination of the Agreement.

The parties and the arbitrator will maintain the confidentiality of the entire arbitration process and will not disclose to any person not directly involved in the arbitration including the basis of the controversy or claim, except the parties may speak with individuals needed to build their cases and may disclose information to individuals who will participate in the process as witnesses, content of any testimony or other evidence presented, terms or amount of any arbitration award rulings of the arbitrator on the procedural and/or substantive issues involved in the case.

We both agree that any arbitration will only be conducted on an individual basis and that if it is determined, despite the clear and unambiguous intent of the parties as stated in this Consultant Guidebook, to permit arbitration other than on an individual basis, the arbitration will immediately be terminated and neither party will be under any obligation to continue in the arbitration. In the case of such termination, or if the arbitration clause is deemed inapplicable or invalid, or otherwise is deemed to allow for litigation of disputes in court, we both waive, to the fullest extent allowed by law, any right to pursue or participate as a plaintiff or a class member or collective action member in any claim on a class, collective or consolidated basis or in a representative capacity.

Notwithstanding this, nothing in the Consultant Guidebook will prevent either party from applying to and obtaining from any court having jurisdiction a writ of attachment, a temporary injunction, preliminary injunction, permanent injunction or other relief available to safeguard and protect its intellectual property rights, or to enforce its rights under the nonsolicitation provision of the Consultant Guidebook.

Governing Law, Jurisdiction and Venue

Jurisdiction and venue of any matter not subject to arbitration will reside exclusively in Denton County, State of Texas. The Federal Arbitration Act will govern all matters relating to arbitration. The law of the State of Texas will govern all other matters relating to or arising from the Agreement.

Notwithstanding the foregoing, and the arbitration provision contained in the Consultant Guidebook, residents of the State of Louisiana will be entitled to bring an action against us in their home forum and pursuant to Louisiana law.

Limitation of Damages

To the maximum extent permitted by law, Thirty-One (and our members, managers, directors, officers, employees, agents and assigns) will not be liable for, and you hereby release us from, and waive any claim for lost profits, incidental, special, consequential or punitive damages which may arise out of any claim whatsoever relating to the operation of our business or our business relationship with you. You also agree that, if you make a claim against us, our liability will be limited to the amount of any commissions and overrides we've paid you during the preceding year, as well as the amount of any accrued and unpaid commissions and overrides.

Thank You

Thank you for reading our Consultant Guidebook. We're confident it will help you get off to a good start in conducting your Thirty-One business. Remember – you're responsible for reading, understanding and following all of the policies, procedures and other information in this Consultant Guidebook. If there is something you don't understand, please ask your Sponsor or you can always contact CAGS at CAGS@thirtyonegifts.com or (614) 414-4531. We are pleased you decided to join Thirty-One and look forward to doing business together!

Glossary

Active Consultant is a Consultant who submits at least \$200 in Personal Volume during each rolling six-month period (based on the current month and the prior five months). All new Consultants are considered to be Active during their enrollment month and the first five months following enrollment. All inactive Consultants who self-reactive must submit at least \$200 in Personal Volume during the same period (sales month) in which they self-reactivated to be deemed active.

Agreement means the Independent Sales Consultant Application and Agreement ("Application") between a Consultant and Thirty-One, collectively with the Career Path and this Consultant Guidebook. These documents, amended from time to time, contain the legal agreement of terms governing the business relationship between a Consultant and Thirty-One.

Arbitration refers to a process to resolve a dispute outside the courts in which the parties to the dispute refer the case to an "arbitrator" and agree to be bound by the arbitrator's decision. It is a settlement technique in which the arbitrator reviews the case and imposes a decision that is legally binding for both sides.

CAGS refers to Thirty-One's Career and Guideline Support Department. Our representatives are available to assist you with any questions regarding our Consultant Guidebook and/or Career Path questions. Consultants can reach CAGS by sending an email to CAGS@thirtyonegifts.com or calling (614) 414-4531.

Career Path refers to Thirty-One's basic compensation and Paid-At Title advancement plan.

Consultant means Independent Sales Consultant of Thirty-One. Consultants are independent contractors, not employees, of Thirty-One. Please see "Independent Contractor Status" in the "What does it mean to be a Thirty-One Consultant?" section for more information.

Consultant ID means the identification number Thirty-One assigns to a Consultant when she becomes a Consultant.

Consultant Support is the team designated to help you with the questions you will undoubtedly have as you operate your Thirty-One business. You can contact Consultant Support by sending an email to ordersupport@thirtyonegifts.com or calling (614) 414-GIFT. Consultant Support's hours of operation are posted on TOT (Business Support > Contact Us).

Downline refers to the Consultants sponsored by an individual Consultant and the Consultants sponsored beneath them.

IDS or Income Disclosure Statement refers to the document Thirty-One has created to provide truthful, timely, and comprehensive information about Consultants' income. When Consultants present or discuss the Thirty-One opportunity or Career Path to potential recruits, they can't make income projections, income claims or disclose their Thirty-One income (including the showing of checks, copies of checks, bank statements, or tax records) unless they provide the potential recruits with a current copy of the IDS. Please read "Income Claims" under the "How does sponsoring new Consultants work?" section of this Consultant Guidebook for more information.

Indemnification refers to one party's agreement to pay for the losses another party suffers. It's similar to an insurance policy. For example, if your home is damaged by an accidental fire, the insurance company will indemnify you (i.e., it will pay for the loses you suffered because of the fire). This same concept applies to our contract with you. You agree to pay Thirty-One's costs in certain circumstances.

Mediation refers to a voluntary process in which two or more parties involved in a dispute work with an impartial party, the mediator, to generate their own solutions in settling their conflict. Mediation is about finding a solution that works for both parties, which is different from a court case or arbitration where one party wins and the other party loses.

Party Order means orders of \$200 or more in Personal Volume.

Party Plan Sales Model is our main selling platform. It allows Consultants to build strong relationships with customers, primarily through direct communication, discussions and demonstrations.

PEQA means Personally Enrolled, Qualified and Active Consultants.

Personal Volume means the dollar value of sales for which a Consultant is paid commission. Consultants don't receive commissions for discounted purchases (e.g., Insider Credit, Insider Half-Price items, Insider Exclusive items, Add-On Kits, Business Supplies ordered on Thirty-One Marketplace), or for tax and shipping & handling fees, and these amounts don't count toward Personal Volume totals. Other exclusions may apply.

Personally Identifiable Information (or PII) means information that can identify an individual. It is broadly defined and things like an individual's name, postal address (even just the zip code alone), email address, phone number, IP address, social media user name or identifier and similar types of information. There is also "sensitive" PII which would include an individual's Social Security or government ID numbers; driver's license or state-issued identification card numbers, and financial account numbers, credit or debit card numbers, or checking account numbers.

Replicated Website means the website we provide to you (www.mythirtyone.com/[your Consultant ID]).

Retail Order means orders of any value in Personal Volume, not attached to a party.

Roll-Up (Permanent) means that when a vacancy occurs in a personal group, each Consultant in the first level immediately below the terminated Consultant on the date of the cancellation will be moved to the first level of the terminated Consultant's Sponsor. For example, Ann sponsors Bonnie, and Bonnie sponsors Cathy, Chloe, and Charlotte. If Bonnie terminates her business, then Cathy, Chloe, and Charlotte will "Roll-Up" to Ann's first level.

Sponsor refers to the person who enrolls an individual as a Thirty-One Consultant (or the person a Consultant is transferred to through a roll-up or otherwise).

Status refers to a Consultant's standing with Thirty-One. There are different status levels: Active, Qualified, Inactive, Resigned and Terminated. Please read this Consultant Guidebook titled "Are there different status levels for Consultants?" for more information.

Thirty-One means Thirty-One Gifts LLC, an Ohio limited liability company.

Thirty-One Gives are proud supporters of several nonprofit organizations that align with our mission, and we offer our support in a number of ways, including product donations, Consultant Giving, Home Office community partnership and the Thirty-One Gives Fund.

Thirty-One Marketplace Order is a way Consultants may purchase select products at a 40% discount and resell the products to customers. No base commission is paid to the Consultant and Personal Volume and Leader overrides are calculated after the discount is applied.

ThirtyOneToday.com (TOT) refers to the website Thirty-One maintains for its Consultants.

Upline means a Consultant's Sponsor and the Consultants sponsored above the Consultant.

Virtual Office refers to the software where you enter your orders, view your sales reports and all other pertinent information to support your business.